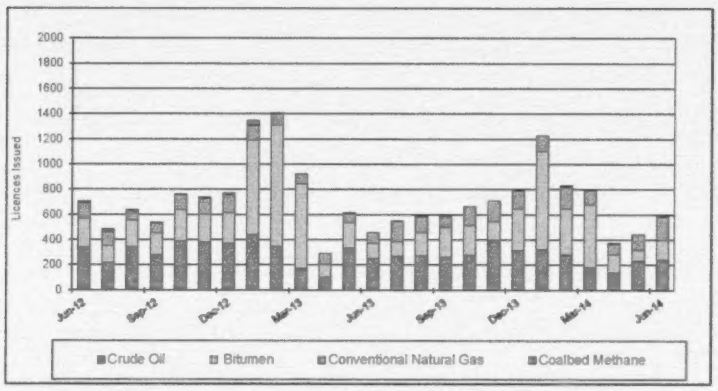
July 2014 Industry Activity Report

Monthly Well Licences



The total number of well licenses issued in June was 589, up 28% from the 459 issued in June 2013.

There were 238 licences issued for crude oil in June, down 4% from the 248 crude oil licences issued in June 2013.

89% of the crude oil licences issued in June were for horizontal wells, compared to 80% for June 2013.

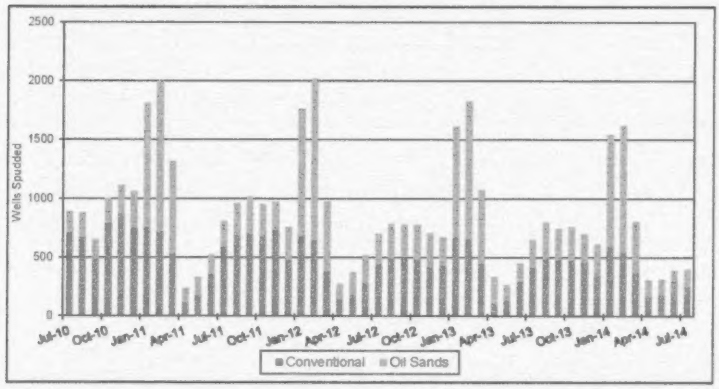
There were 191 natural gas well licenses (excluding CBM) issued in June 2014, 112% higher than the 90 licences reported last June.

85% of natural gas well licenses issued in June were for horizontal wells, down from 93% from the same period last year.

Licenced Wells	June Drilling Type	Total Licences	Per cent of Total Licences
Natural Gas	Horizontal	163	33%
	Vertical/Direct	28	
Coal Bed Methane	Horizontal	-	
	Vertical/Direct	-	
Crude Oil	Horizontal	212	41%
	Vertical/Direct	26	
Bitumen	Horizontal	40	27%
	Vertical/Direct	110	
	Evaluation	8	
Total		587	100%

Source: Alberta Energy Regulator

Alberta Wells Spudded (estimates)



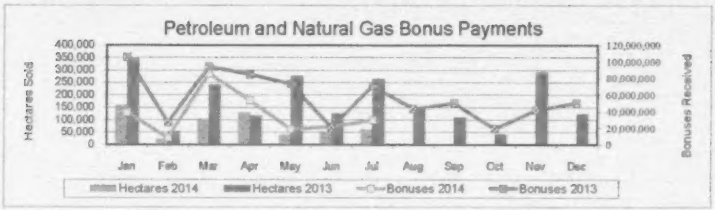
An estimated 401 wells were spudded in July, down 39% from last July.

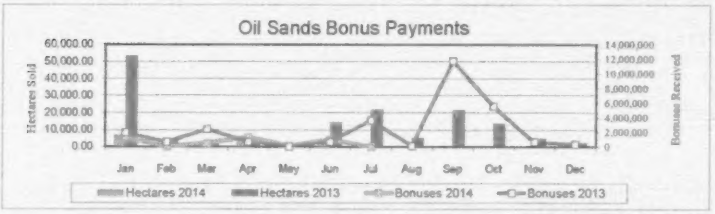
The seven month total of 5,405 spuds is down 13% from last year's January-July period.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2010	Conventional	919	862	275	66	143	317	712	672	486	790	875	753	6,870
	Oil Sands	698	1016	318	97	73	105	179	206	165	214	238	312	3,621
2011	Conventional	762	711	532	120	178	356	590	691	705	682	734	487	6,548
	Oil Sands	1050	1292	786	121	156	169	222	275	313	273	240	270	5,167
2012	Conventional	684	648	388	144	181	279	440	494	505	487	422	430	5,102
	Oil Sands	1079	1374	592	132	194	239	264	291	279	294	284	241	5,263
2013	Conventional	666	657	449	108	133	299	416	486	485	477	466	349	4,991
	Oil Sands	950	1169	630	231	136	153	238	315	260	287	236	267	4,872
2014	Conventional	600	548	371	165	186	302	252						2,424
	Oil Sands	949	1076	435	148	132	92	149						2,981

Source: Alberta Energy Regulator

Petroleum & Natural Gas & Oil Sands Land Sales





In July, petroleum and natural gas crown land sales earned a total of $29.9 million with an average price per hectare of $481.16. There were no oil sands sales in July.

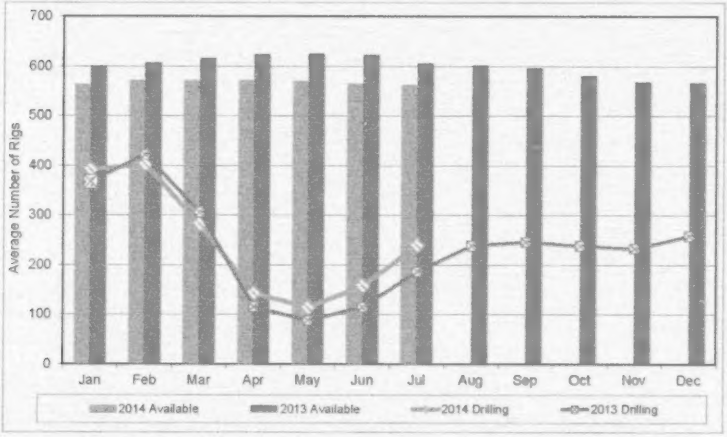
So far this year, the province has collected $261.4 million on the sale of 592,523 hectares, with an average price of $441.17/hectare. Over the first seven months of 2013, crown land sales earned $486 million for 1.5 million hectares, and received an average selling price of $318.14/hectare

Petroleum and Natural Gas Rights	Jul-14	Jul-13	YTD 2014	YTD 2013
Bonuses	$29,853,740.75	$70,730,506.73	$257,186,820.17	$475,901,975.57
Hectares	62044.89	265273.76	572938.77	1427341.31
Average Price per Hectare (Cdn$)	$481.16	$266.63	$448.89	$333.42

Oil Sands Rights	Jul-14	Jul-13	YTD 2014	YTD 2013
Bonuses		$3,567,023.36	$4,219,404.80	$9,880,378.54
Hectares		21792.00	19584.00	99582.32
Average Price per Hectare (Cdn$)		$163.68	$215.45	$99.22

Source: Alberta Energy

Alberta Rig Activity


Average Number of Rigs
Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
2014 Available
2013 Available
2014 Drilling
2013 Drilling

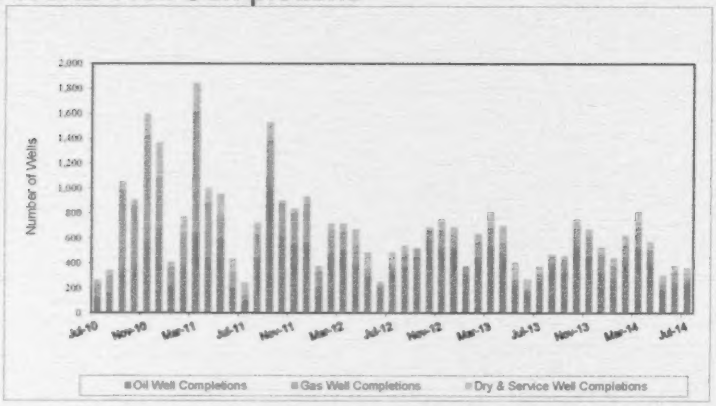
Fleet utilization for the province's 561 rigs averaged 43% in July, compared to 605 rigs with a utilization of 31% in July 2013.

Over the first seven months of 2014, Alberta's oil and gas fields have kept an average of 247 rigs working (with an average fleet of 567 rigs), compared to 229 working rigs in 2013 (with an average fleet of 613 rigs).

July	Drilling	Down Available		Rig Util. Jul-14	Rig Util. Jul-13
Alberta	239	322	561	43%	31%
Saskatchewan	64	84	148	43%	47%
British Columbia	48	28	76	63%	62%
Northwest Territories		1	1		
Manitoba	4	16	20	20%	37%
Canada	355	452	807	44%	36%

Source: Canadian Association of Oilwell Drilling Contractors

Alberta Well Completions



Well completion statistics for July show that there were 367 completions in Alberta, down 2% from 373 completions in July 2013.

Over the first seven months, there were 2,318 oil well completions reported, down 6% from a year ago, and 684 gas completions, up 26% from this time last year.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2010	Oil Wells	253	144	397	198	400	126	131	168	357	402	999	676	4,251
	Gas Wells	324	308	632	418	462	117	110	135	638	461	847	403	4,855
	Dry & Service	62	79	141	6	51	41	26	43	59	46	169	294	1,017
2011	Oil Wells	226	353	650	419	602	209	105	451	1030	626	559	568	5,798
	Gas Wells	145	294	974	472	196	124	43	183	356	259	243	299	3,588
	Dry & Service	42	127	222	112	160	100	97	94	145	19	32	73	1,223
2012	Oil Wells	215	489	516	405	296	205	348	380	447	588	533	523	4,945
	Gas Wells	131	181	146	141	62	12	46	98	65	81	137	110	1,210
	Dry & Service	35	48	55	126	128	37	94	63	12	23	80	59	760
2013	Oil Wells	313	449	544	481	230	179	263	394	357	528	463	333	4,534
	Gas Wells	59	124	149	91	47	14	59	46	72	153	164	139	1,117
	Dry & Service	9	67	119	129	66	79	51	34	29	72	44	58	757
2014	Oil Wells	280	427	520	418	188	240	245						2,318
	Gas Wells	105	119	166	94	54	94	52						684
	Dry & Service	57	80	126	62	63	45	70						503

Source: Daily Oil Bulletin, Nickle's Energy, Information, and Technology
For further information, visit www.nickles.com